

The House Committee on Ways and Means offers the following substitute to HR 133:

A RESOLUTION

1 Urging the United States Congress with respect to the federal estate tax; and for other
2 purposes.

3 WHEREAS, under tax relief legislation passed in 2001, the federal estate tax was temporarily
4 phased out but not permanently eliminated; and

5 WHEREAS, farmers and other small business owners will face losing their farms and
6 businesses if the federal government resumes the heavy taxation of citizens at death; and

7 WHEREAS, this is a tax that is particularly damaging to families who are working their way
8 up the ladder and trying to accumulate wealth for the first time; and

9 WHEREAS, employees suffer layoffs when small and medium businesses are liquidated to
10 pay such taxes; and

11 WHEREAS, if the tax had been repealed in 1996, the United States economy would have
12 realized billions of dollars each year extra output and an average of 145,000 additional new
13 jobs would have been created; and

14 WHEREAS, the repeal of this tax or the revision of the tax to eliminate confusing provisions
15 and reduce its impact and burden holds wide bipartisan support.

16 NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES that
17 the United States Congress is urged either to enact a permanent repeal of the federal estate
18 tax or to enact sensible revisions that will provide a \$10 million base exemption with the
19 amount over \$10 million taxed as capital gains and to maintain stepped up basis provisions.

- 1 BE IT FURTHER RESOLVED that the Clerk of the House of Representatives is authorized
- 2 and directed to transmit an appropriate copy of this resolution to each member of the Georgia
- 3 Congressional Delegation.